

September 28, 2004

Department of Water Resources
Division of Planning and Local Assistance
Attn: Tracie Billington
Post Office Box 942836
Sacramento, CA 94236-001

Subject: Comments on the Draft Integrated Regional Water Management Grant Program Guidelines for Proposition 50, chapter 8, August 2004, Department of Water Resources and State Water Resources Control Board

Dear Ms. Billington:

The South Orange County Wastewater Authority (SOCWA), as a partner in the South County Integrated Regional Water Management Group, has compiled the following comments to the Proposition 50 draft guidelines:

Page 8:

C. Eligible Proposals/Project Types, last paragraph: Exclusion of on-stream and off-stream surface water storage facilities for funding should be clarified to allow for reservoir tank storage that does not obtain or inhibit water from a stream or natural waterway source.

Page 9:

C. Labor Code Compliance: This section should identify when this requirement is enforced; at the time of application submission, at contract execution, or prior to construction. Additionally, since many agencies do not have a labor compliance program nor are familiar with how to set up a program, this section should provide direction on where to access helpful information, such as the California Department of Industrial Relations Website or names of agencies that currently have programs, upon their approval. This section should also clarify if all agencies within a JPA must have the program, or just the JPA.

Page 10:

E. CEQA Compliance and Timing: According to the draft guidelines, the SWRCB will require completion of CEQA documentation prior to the execution of a funding contract, while the DWR will only require a plan for CEQA completion as a prerequisite to contract execution. The guidelines also indicate that the determination of the granting agency (either DWR or SWRCB) will not be made until the time of award. Taken together, this set of circumstances creates inherent difficulties for potential applicants. For most agencies, CEQA documentation is not undertaken until and unless funding for project construction is already in place. The CEQA work is normally considered as part of the total Capital Improvement Project budget. Under the proposed guidelines, an applicant would have the

choice of 1) going out on a budgetary limb to complete CEQA with its own funds prior to applying for the grant, without knowing whether construction funding would be forthcoming; or 2) deferring the CEQA work until the grant is awarded, facing the possibility that the CEQA work might need to be completed hurriedly between the time of award and the time of final contract execution, and therefore potentially entirely as part of the local match rather than with 90% grant funding. It is therefore recommended that the guidelines be changed so that both the DWR and SWRCB programs require only completion of a plan for CEQA work prior to grant contract execution; so that the CEQA work is consistently eligible for grant reimbursement.

We are pleased to provide you with these comments. Please do not hesitate to contact me should you have any questions.

Sincerely,

SOUTH ORANGE COUNTY WASTEWATER AUTHORITY

David A. Caretto
General Manager

cew

cc: Marilyn Thoms, Watershed Planner
County of Orange

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